

TESTIMONY BEFORE PLANNING AND DEVELOPMENT

IN SUPPORT OF HB 6411 – MANDATE RELIEF TASK FORCE

MARCH 21ST 2011 - 11AM - ROOM 2A

I THANK THE CHAIRS AND COMMITTEE MEMBERS FOR THIS OPPORTUNITY TO ADDRESS PLANNING AND DEVELOPMENT. MY NAME IS MIKE GUARCO – A 30 YEAR MEMBER OF THE GRANBY BOARD OF FINANCE, AND ITS CHAIR FOR MORE THAN TWENTY. I, AS WELL AS A NUMBER OF MY FELLOW BOARD CHAIRS IN UPPER HARTFORD COUNTY, AM A FOUNDING MEMBER OF THE CT MUNICIPAL CONSORTIUM FOR FISCAL RESPONSIBILITY – A GRASSROOTS AND BIPARTISAN ALLIANCE OF TOWN COUNCILS AND BOARDS OF SELECTMEN, FINANCE, AND EDUCATION THAT BELIEVE FAR MORE FOCUS NEEDS TO BE PLACED ON STRENGTHENING THE HAND OF THE MUNICIPALITIES IN BEING BETTER ABLE TO MANAGE THE EXPENDITURE SIDE OF THE BUDGETARY EQUATION. COLLECTIVELY....THE CONSORTIUM REPRESENTS ROUGHLY HALF OF THE GOVERNING BOARDS – SOME 220 - FROM THREE QUARTERS OF THE MUNICIPALITIES ACROSS CT. THE PLATFORM SUPPORTED BY THE BOARDS ON A BIPARTISAN BASIS REVOLVES AROUND THREE COST-MANAGEMENT PLANKS THAT ARE COMMON TO THE LEGISLATIVE AGENDAS OF OUR PARTNERS – CABE ,COST, AND

CCM. IT CALLS FOR MAKING BINDING ARB A MORE BALANCED PROCESS, FOR RAISING THE THRESHOLDS AT WHICH PREVAILING WAGE APPLIES TO CAPITAL PROJECTS, AND FOR HALTING THE FLOW OF UNFUNDED MANDATES UNTIL THE STATE MEETS ITS OWN EXISTING FUNDING COMMITMENTS TO THE TOWNS.

WITH BOTH THE STATE AND THE TOWNS FACING FISCAL CRISIS, MANDATE RELIEF IS REALLY THE ONLY THING THE STATE CAN PROVIDE THE TOWNS TO HELP US PRESERVE JOBS AND THE DAY TO DAY SERVICES WE PROVIDE OUR LOCAL CITIZENS.....AND IT CAN BE DONE AT ZERO COST TO THE STATE. WITHOUT SUFFICIENT MONEY TO BALANCE YOUR OWN BUDGET....AND IN LIEU OF INCREASING AID TO THE MUNICIPALITIES..... SWIFTLY REDUCING THE BURDEN OF UNFUNDED MANDATES IS EXACTLY WHAT MUST BE DONE TO HELP US MAINTAIN BOTH PUBLIC EMPLOYMENT AND SERVICES AT THE LOCAL LEVEL.

WHILE ESTABLISHING THE TASK FORCE IS A GOOD IDEA PROVIDED THEY ACT EXPEDITIOUSLY AND THE LEGISLATURE FOLLOWS THRU WITH SENSIBLE RECOMMENDATIONS, IT IS ALSO TRUE THAT A NUMBER OF BILLS FILED IN THIS SESSION NEED BE ADDRESSED TO PROVIDE EVEN MORE IMMEDIATE

RELIEF TO THE TOWNS...TO LOCAL TAXPAYERS.... AND PUBLIC SECTOR EMPLOYEES WHO WILL LOSE JOBS AND CITIZENS WHO WILL LOSE SERVICES IF RELIEF IS NOT PROVIDED. IN THE END, THERE IS ONLY SO MUCH MONEY TO GO AROUND...AND THE COST OF MANDATES CHEWS INTO AVAILABLE FUNDING AT THE LOCAL LEVEL.... RAISING COSTS AND PROPERTY TAXES WHILE DIMINISHING BOTH SERVICE AND EMPLOYMENT LEVELS.

AMONG THE BILLS WORTHY OF PASSAGE TO PROVIDE IMMEDIATE AND SIGNIFICANT RELIEF.....

SB 990 – DOUBLING THE THRESHOLDS AT WHICH PREVAILING WAGE APPLIES.....AND ADDS A MAJOR PREMIUM IN TERMNS OF COST...AND THEREFOR TAXES.

SB 989 – PROTECTING A MUNICIPALITY’S GENERAL FUND FROM BEING CONSIDERED IN THE ABILITY TO PAY FOR AN ARBITRATED CONTRACT. BOTH THIS AND THE PREVIOUS BILL WERE KILLED BY THE BOLSHEVIKS ON THE LABOR COMMITTEE.

SB 452 – REQUIRING A 2/3 VOTE IN EACH CHAMBER TO CREATE OR EXPAND A MANDATE ON LOCAL GOVERNMENTS.

HB 6431 – ALLOWING FLEXIBILITY REGARDING THE EDUCATION MINIMUM BUDGET REQUIREMENT

Connecticut Municipal Consortium for Fiscal Responsibility

The genesis of the Consortium – a broad alliance of duly elected town boards from a host of municipalities throughout Connecticut – comes in response to the growing wave of taxpayer discontent and local budget defeats we have witnessed over the past couple of years. The rate of rejections remains high while local property tax rates increase at around 5% per year. At the same time, overall municipal employment declines and existing program is squeezed out of budgets in town after town, victims of unbridled compensation and other state interventions into our local budgetary affairs.

Our focus is primarily on the cost-management side of the equation. Our mission is to press for return to the local level of a greater ability to manage key elements in our own municipal budgets.

The platform planks are all common threads of the legislative agendas of the three major municipal advocacy organizations – CCM, COST, and CABA – and call for leveling the playing field under binding arbitration, raising the cost thresholds on capital projects under prevailing wage laws, and prohibiting new mandates placed on towns until state government meets its own existing funding commitments to the towns under current law. Very simply, our joint message to the Capitol is to untie our hands so that we are more able to better and more efficiently manage our own local affairs.

These themes reinforce our view that our cause is pro-local government... pro-education... and pro-taxpayer. Then our growing group of town boards, and board chairmen, representing a broad and diverse group of municipalities throughout Connecticut, seeks to deliver a common message with a unified voice to legislators and the legislature... a message that truly is across-the-boards... across-the-parties... and across-the-state.

We encourage the governing authorities in every town and city - Boards of Selectmen, Education, Finance, Alderman, and Town Councils - to join us by endorsing the Consortium effort and by participating in pressing state lawmakers for change.

**Has your town joined with the Consortium yet?
We may be reached through the following members:**

Mike Guarco, Chairman
Granby Board of Finance
budgetguru06035@aol.com

Mike Zelasky, Chairman
Lisbon Board of Finance
mikezelasky@att.net

George McLaughlin, Fmr. Chairman
New Milford Board of Finance
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Richard Burke
Oxford Board of Finance
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John Adams, Chairman
Granby Board of Selectmen
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Cal Heminway, Chairman
Granby Board of Education
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Resolution in Support of the Consortium Group

Whereas state interventions into traditionally local budgetary affairs have negatively impacted the delicate balance between a municipality's capacity to provide services and the local taxpayers' ability to pay for said services,

and whereas, such interventions have effectively reduced the municipalities' ability to manage major components of a typical town budget

and whereas, COST, CABE, CCM and other municipal advocacy agencies have all traditionally called for repeal or reform of prevailing wage and binding arbitration laws that currently apply to and negatively impact the municipalities across Connecticut

and whereas, the state legislature in Connecticut continues to force new mandates upon the towns while reneging on it's own statutory municipal aid commitments to said towns.

Therefore, be it resolved, that said board body in said Town join and support the CT Municipal Consortium for Fiscal Responsibility in its effort to bring about changes beneficial to the municipalities and taxpayers across Connecticut.

Said changes include:

- 1) raising the cost thresholds under the prevailing wage statute from the current \$100 K/\$400 K levels to the \$1 million level, minimally, with indexing.

- 2) leveling the playing field in binding arbitration by allowing an arbitrated settlement, if rejected by the local legislature body, to then be sent back into negotiations, rather than directly into the last round of appellate review, and

- 3) a prohibition on new mandates upon the towns from the state until the legislature meets its own funding commitment already existing on the books.

The Towns seek to be better able to live within their own means, as well should the government of our state of Connecticut.

Regional School Districts

Finance, Municipal & Education
Two Boards
One Board
Board Chairman Endorsement

Revised January 3, 2011

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